

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ)
AIR QUALITY DIVISION (AQD) ANNUAL REPORT - FISCAL YEAR 2004 (FY04)**

This year-end report is required from every state department to which emissions control funds are appropriated. The information is organized as directed by Section 5522 (9) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451).

- A)** A total of 176 full-time equated positions performed enforcement, compliance, and permitting activities. From that total, 102 full-time equated positions (approximately 58 percent) performed these activities in the Title V Program as defined in Section 5501 of Act 451. Additionally, approximately 20 additional FTEs performed Title V support activities. The other 74 full-time equated positions (approximately 42 percent) performed enforcement, compliance, and permitting activities in the non-Title V Program.

B) Permits to Install:

- i. There were 462 permit to install applications received in FY04.
- ii.

| Permits to Install - Final Actions | Total Number |
|---|--------------|
| Final action taken on applications and permits. | 1441 |
| Applications approved. | 480 |
| Applications denied. | 4 |
| Applications and permits voided (296 of which were due to issuance of renewable operating permits). | 957 |

- iii.

| Approved Permits to Install | Total Number |
|--|--------------|
| Number required to complete public participation before final action. | 29 |
| Number not required to complete public participation before final action. | 451 |

- iv. The average number of final permit actions per reviewer (full-time equated) is 29.

| | Permits to Install | Percentage | Total Number |
|-------|--|------------|--------------|
| v. | Applications reviewed for administrative completeness within 10 days of receipt by the DEQ. | 99.5% | 460 |
| vi. | Applications reviewed for technical completeness within 30 days of receipt by the DEQ. | 99.3% | 459 |
| vii. | Applications submitted to the DEQ that were administratively complete as received. | 83.0% | 383 |
| viii. | Applications for which a final approval was taken within 60 days of receipt of a technically complete application for those not required to complete public participation or within 120 days if public participation was required. | 95.2% | 440 |

C) Renewable Operating Permit (ROP) Program:

- i. A total of 100 ROP applications were received in FY04.
- ii.

| ROP - Final Actions | Total Number |
|---|--------------|
| Final action taken on ROP applications. | 82 |
| Applications approved. | 68 |
| Applications denied. | 0 |
| Applications voided. | 14 |

| ROP | | Percentage | Total Number |
|------|---|------------|--------------|
| iii. | Permit applications initially processed within the required time. | 0% | 39 |
| iv. | Permit renewals processed within the required time. | 72% | 29 |
| | Permit modifications processed within the required time. | 43% | 47 |
| v. | Permit applications re-opened by the DEQ. | 75% | 8 |
| vi. | General permits issued by the DEQ. | N/A | 0 |

D) There were 512 letters of violation (LOV) sent during FY04.

E) Penalty money collected from all consent order and judgments was \$1,865,201.

F) Enforcement actions that included payment of penalty:

| Company Name | Corrective Actions |
|-------------------------------|-----------------------------------|
| Continental Coatings, LLC | Consent Order, AQD# 38-2001 |
| Lafarge North America | Consent Order, AQD# 33-2003 |
| Edw. C. Levy, Co. | Consent Order, AQD# 34-2003 |
| Klett Construction | Consent Order, AQD# 29-1999 |
| Internal Grinding Abrasives | Consent Order, AQD# 26-2002 |
| Primo Properties | Consent Order, AQD# 1-2004 |
| Branch County Road Commission | Consent Order, AQD# 2-2004 |
| Central Wayne Energy | Consent Order, AQD# 3-2004 |
| Louisiana Pacific Corporation | Consent Order, AQD# 4-2004 |
| Thermico, Inc. | Consent Order, AQD# 5-2004 |
| AMC, Inc. | Consent Order, AQD# 6-2004 |
| Kinaia & Shamam Investments | Consent Order, AQD# 7-2004 |
| Usher Oil Company | Consent Order, AQD# 8-2004 |
| Mayco Plastics, Inc. | Consent Order, AQD# 9-2004 |
| Aspen Square Management | Consent Order, AQD# 10-2004 |
| ND Industries, Inc. | Consent Order, AQD# 11-2004 |
| Aztec Producing Company | Consent Order, AQD# 12-2004 |
| Georgia-Pacific Corporation | Consent Order, AQD# 13-2004 |
| H.B. Fuller Company | Consent Order, AQD# 14-2004 |
| Electrolux Home Products | Consent Order, AQD# 15-2004 |
| Continental Coatings, LLC | Consent Order, AQD# 38-2001 rev 2 |
| MPW Container | Consent Order, AQD# 16-2004 |
| Mahle Technology | Consent Order, AQD# 17-2004 |

| Company Name (continued) | Corrective Actions (continued) |
|---------------------------------|--|
| Elmer's Crane and Dozer | Consent Order, AQD# 18-20004 |
| ISP Coatings Corporation | Consent Order, AQD# 4-2003 Rev 1 |
| Williamston Oil | Consent Order, AQD# 19-2004 |
| RKA Petroleum | Consent Order, AQD# 20-2004 |
| Brewer Sand & Gravel | Consent Order, AQD# 21-2004 |
| Instaset Corporation | Consent Order, AQD# 22-2004 |
| Plastatech Engineering | Consent Order, AQD# 23-2004 |
| Consolidated Crushed Stone | Consent Order, AQD# 24-2004 |
| Sturgis Iron & Metal | Consent Order, AQD# 25-2004 |
| Menasha Packaging Company | Consent Order, AQD# 26-2004 |
| Thompson Oil Co. Unit 994 | Consent Order, AQD# 27-2004 |
| Thompson Oil Co. Unit 924 | Consent Order, AQD# 28-2004 |
| Direct to Locomotives | Consent Order, AQD# 29-2004 |
| Perfection Industries | Consent Order, AQD# 30-2004 |
| Roush Industries | Consent Order, AQD# 31-2004 |
| C.H. Smith Company, Inc. | Consent Judgment, File No. 03-1163-CE |
| General Motors Corporation | Consent Judgment, File No. 04-1315-CE |
| IMCO | Consent Judgment, File No. 01-93092-CE |
| Guardian Fiberglass, Inc. | Consent Judgment, File No. 04-529-CE |
| Global Alloys | Default Judgment, 3-8-04 |

- G) The total number of inspections was 1,185. The number of inspections done for ROP sources was 299. The number of inspections of non-ROP sources was 886.
- H) A total of 2,212 complaints were received during FY04. All complaints were logged, prioritized, evaluated, and resolved according to the DEQ's AQD procedures. A complaint is considered resolved if the problem has been abated, an LOV requesting a compliance program has been sent, the district staff was not able to verify the problem, or the complaint was not under the AQD's jurisdiction and a referral was made to the appropriate agency. An on-site inspection was conducted for approximately 59 percent of the complaints. A telephone call or letter followed up the other complaints.
- I) The following represents the number of contested case hearings and civil actions initiated and completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued for Title V sources:

| Enforcement | Total Number |
|-----------------------|---------------------|
| Hearings | 2 |
| Civil Actions | 4 |
| Consent Orders | 38 |
| Administrative Orders | 0 |
| Emergency Orders | 0 |

- J) Revenue in the fund at the end of the fiscal year was \$5,564,330.

The following information is required by Section 5522 of Act 451.

AIR QUALITY DIVISION EXPENDITURES BY FUND AND PROGRAM FUNCTION:

| Program Function | General Fund | EPA Grants | Air Fees | Total |
|-------------------------------------|---------------------|-------------------|-----------------|--------------|
| Permit Section | 437,350 | 286,855 | 2,208,597 | 2,932,803 |
| Enforcement Unit | 125,086 | 110,675 | 773,131 | 1,008,892 |
| Field Operations | 2,065,315 | 1,200,255 | 5,465,308 | 8,730,877 |
| Air Quality Evaluation Section | 1,702,192 | 2,330,111 | 152,287 | 4,184,589 |
| Administration | 1,583,277 | 189,836 | 630,757 | 2,403,871 |
| Total AQD Expenditures (4 quarters) | 5,913,221 | 4,117,732 | 9,230,080 | 19,261,032 |
| Revenues Allotted (4 quarters)* | 6,575,823 | 4,457,100 | 9,543,435 | 20,576,358 |

* The revenue allotment identified above represents a hundred percent of the estimated revenue to be collected from each funding source in Fiscal Year 2004. The EPA grants expenditures do not include indirect costs.

Note additional Non-Air Quality fee expenditures were as follows: Environmental Science and Services Division \$507,443; DEQ Rent \$530,175; Michigan Economic Development Corporation, Small Business Ombudsman \$74,284; and Department of Information Technology \$286,900.